# **EXHIBIT 6**

# **EXHIBIT 6**

1 2 3 4 5 IN THE FIFTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA 6 IN AND FOR THE COUNTY OF NYE 7 Utilities Incorporated of Central Nevada, a Case No. CV 27399 8 Nevada Corporation, 9 Dept No. 1 Plaintiff, 10 VS. ORDER HOLDING JAMES SCOTT (A/K/A JIM Willow Creek Holdings, LLC, a Nevada SCOTT), ASHLAND CAPITAL, LLC, AND 11 Limited Liability Company; Aram Maissian, Inc., a Nevada Corporation; Jorei Enterprises, CALDERA P & G IN CONTEMPT OF COURT; AND JUDGMENT 12 LLC, a California Limited Liability Company; and Ashland Capital, LLC, a Nevada limited 13 liability company, 14 Defendants. 373-79 15 Utilities Inc. of Central Nevada, a Nevada Consolidated Case: CV 28780 Corporation, 16 Plaintiff, 17 18 VS. Ashland Capital, LLC, a Nevada Limited 19 Liability Company; Jorei Enterprises, LLC, a California Limited Liability Company; and 20 Mosier & Company, Inc., in its official capacity as Permanent Receiver of PEMGroup 21 and its subsidiaries and affiliates, 22 Defendants. 23 and 24 Lakeview Golf Association, Inc., a Nevada Limited Liability Corporation, 25 Plaintiff, 26 27 VS. Ashland Capital, LLC, a Nevada Limited 28 LIONEL SAWYER

& COLLINS ATTORNEYS AT LAW

> RENO, NEVADA 89501

Liability Company,

Defendant.

### ORDER HOLDING JAMES SCOTT (A/k/A JIM SCOTT), ASHLAND CAPITAL, LLC, AND CALDERA P & G IN CONTEMPT OF COURT; AND JUDGMENT

On March 16, 2012 this Court issued its order to show cause and, pursuant to that order, on March 30, 2012 the Court held a show cause hearing regarding why this Court should not find Defendant Ashland Capital, LLC ("Ashland"), James Scott ("Scott"), and Caldera P & G ("Caldera") in contempt of court for violation of the Preliminary Injunction, filed September 11, 2009 in CV 28780. The September 11, 2009 order required Ashland's maintenance of the effluent storage ponds at the Willow Creek Golf Course in a manner to avoid organic contamination of the effluent stored therein and in compliance with the regulatory and legal requirements under Nevada law including those imposed by the Nevada Division of Water Resources under the discharge permit issued to the Willow Creek golf course. Laura Granier and Courtney Miller O'Mara appeared on behalf of UICN. Timothy Post appeared on behalf of James Scott and Caldera. No attorney appeared on behalf of Ashland; however, Mr. Scott testified to having been in control of Ashland and Caldera P & G during all times relevant to this matter.

The Court finds as follows:

- A. All orders of the Court are important, especially a preliminary injunction that is designed to prevent hazard and danger to the citizens of a community.
- B. Ashland was in control of the golf course from December 26, 2008 to October 13, 2011. Scott was the manager of that company during that time. Ashland has a continuing obligation to comply with the order and cannot avoid such obligation through transfer of the property.
  - C. Caldera has controlled the golf course since October 13, 2011. Scott is the

28
LIONEL SAWYER
& COLLINS
ATTORNEYS AT LAW
0 BANK OF AMERICA PLAZA
50 WEST LIBERTY ST.
RENO.
NEVADA 89501
(775) 788-8666

president and the person responsible for Caldera.

- D. Scott operates his various companies, including Ashland and Caldera, as what appears to be a shell game.
  - E. None of Ashland, Caldera or Scott followed this Court's preliminary injunction.
- F. Neither Scott nor the entities he controls, Ashland and Caldera, made any material efforts to comply with the Court's preliminary injunction, and the problems cited in the preliminary injunction continue to this day.
- G. The poor condition of the golf course ponds that has existed and continued under Mr. Scott's and his various entities' control over the Willow Creek Golf Course presents a continuing danger to the citizens of Nevada.
- H. The Court finds insufficient Scott's proffered excuse that he could not get a loan with a lis pendens on the property. The Court considered Mr. Scott's testimony provided at the hearing and found it evasive, contentious and in material parts incredible.
- It was the burden of Ashland, Caldera and Scott to demonstrate to the Court why
  they should not be held in contempt and they have not done so.

NOW, THEREFORE, AND FOR GOOD CAUSE APPEARING IT IS HEREBY ORDERED:

- Scott, Ashland and Caldera are all in contempt of court for failure to obey the Court's preliminary injunction.
  - Pursuant to NRS 22.100, Scott, Ashland and Caldera are each fined \$500.
- 3. Pursuant to NRS 22.100, Scott, Ashland and Caldera are directed to make all improvements necessary to bring the Willow Creek Golf Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in the December 22, 2009 letter from the Nevada Department of Environmental

28
LIONEL SAWYER
& COLLINS
ATTORNEYS AT LAW
10 BANK OF AMERICA PLAZA
50 WEST LIBERTY ST.
RENO,
NEVADA 89501
(775) 788-8066

Protection to the then-owner of the Willow Creek Golf Course, Jorei Enterprises, LLC. Such improvements must be completed no later than Monday, July 2, 2012.

- 4. Pursuant to NRS 22.100, Ashland, Caldera and Scott shall pay to UICN all of UICN's reasonable expenses, including, without limitation, attorneys' fees incurred as a result of the contempt.
- 5. Pursuant to NRS 22.100, such amounts assessable against Ashland include UICN's attorneys' fees and costs in addition to other damages UICN incurred by reason of Ashland's disobedience of the preliminary injunction. Such amounts total \$255,634.97 in attorneys' fees and costs incurred in this action from September 11, 2009 through the end of January, 2012, \$101,367.89 in attorneys' fees and costs incurred in this action from February 1, 2012 through trial and the contempt proceedings, \$41,134.42 in attorneys' fees and costs incurred to defend the federal court class action, \$31,084.89 in attorneys' fees and costs incurred to defend the state court class action through December 31, 2011, and \$87,286.32 in employee time, travel and other expenses UICN incurred after the preliminary injunction issued. The total amount of damages to UICN attributable to Ashland is \$516,508.49.
- 6. Pursuant to NRS 22.100, such amounts assessable against Caldera include all of UICN's attorneys' fees and costs in addition to other damages UICN incurred by reason of Caldera's disobedience of the preliminary injunction on or after October 13, 2011, when Caldera became the owner of the property. Such amounts total \$22,472.24 in attorneys' fees and costs incurred in this action from October 13, 2011 through the end of January, 2012, \$101,367.89 in attorneys' fees and costs incurred in this action from February 1, 2012 through trial and the contempt proceedings, \$10,719.39 in attorneys' fees and costs incurred to defend the state court

<sup>&</sup>lt;sup>1</sup> Such fees and costs for the period from February 1, 2012 through March 31, 2012 are supported by the Declaration of Wendy Barnett filed with the Court on May 2, 2012.

<sup>&</sup>lt;sup>2</sup> Such fees and costs for the period from February 1, 2012 through March 31, 2012 are

1	class action from October 13, 2011 through December 31, 2011, and \$543.95 in employee time,					
2	travel and other expenses UICN incurred after October 13, 2011. The total amount of damages					
3	to UICN attributable to Caldera is \$135,103.47.					
4	7. Pursuant to NRS 22.100, because James "Jim" Scott was the person in control					
5	after the Additional and Coldens during the relevant time period. Mr. Scott negreeably, every LUCN.					
6	of both Ashland and Caldera during the relevant time period, Mr. Scott personally owes UICN					
7	\$100,000 as damages caused by Ashland and Caldera's disobedience of the Court's preliminary					
8	injunction.					
9	SO ORDERED this Le day of Way, 2012.					
10	BY THE COURT:					
11	BY THE COURT:					
12						
13	The Honorable Robert Rose					
14	District Court Judge					
15	D (C)					
16	Respectfully submitted by:					
17	Laura K. Grander, Esq., SBN 7357					
18	Courtney Miller O'Mara, Esq., SBN 10683 LIONEL SAWYER & COLLINS					
19	50 W. Liberty St., Suite 1100 Reno, NV 89501					
20	Telephone: (775) 788-8666					
21	Facsimile: (775) 788-8682 Email: lgranier@lionelsawyer.com					
22	comara@lionelsawyer.com					
23						
24						
25						
26						
27						
20	supported by the Declaration of Wendy Barnett filed with the Court on May 2, 2012.					

LIONEL SAWYER

& COLLINS
ATTORNEYS AT LAW
00 BANK OF AMERICA PLAZA
50 WEST LIBERTY ST
RENO.
NEVADA 89501
(775) 788-8966

# **EXHIBIT 7**

# **EXHIBIT 7**

Case 12-22484-mkn Doc 26-2 Entered 11/09/12 18:03:52 Page 8	Case 12-22484-mkn	Doc 26-2	Entered 11/09/12 18:03:52	Page 8 of 30
---	-------------------	----------	---------------------------	--------------

FILED 1 2 2012 AUG -8 P 3:51 3 4 5 BY DEPUTY IN THE FIFTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA 6 IN AND FOR THE COUNTY OF NYE 7 Utilities Incorporated of Central Nevada, a Case No. CV 27399 Nevada Corporation, Dept No. 1 9 Plaintiff, 10 vs. ORDER NO. 2 HOLDING JAMES SCOTT (A/K/A JIM SCOTT), ASHLAND CAPITAL, LLC, AND Willow Creek Holdings, LLC, a Nevada 11 CALDERA P & G IN CONTEMPT OF COURT; Limited Liability Company; Aram Maissian, Inc., a Nevada Corporation; Jorei Enterprises, AND JUDGMENT 12 LLC, a California Limited Liability Company; and Ashland Capital, LLC, a Nevada limited 13 liability company, 14 Defendants. 15 Utilities Inc. of Central Nevada, a Nevada Consolidated Case: CV 28780 Corporation, 16 Plaintiff, 17 VS. 18 Ashland Capital, LLC, a Nevada Limited 19 Liability Company; Jorei Enterprises, LLC, a California Limited Liability Company; and Mosier & Company, Inc., in its official 20 capacity as Permanent Receiver of PEMGroup 21 and its subsidiaries and affiliates, 22 Defendants. 23 and 24 Lakeview Golf Association, Inc., a Nevada Limited Liability Corporation, 25 Plaintiff, 26 27 VS.

LIONEL SAWYER & COLLINS ATTORNEYS AT LAW 100 BANK OF AMERICA PLAZ/ 50 WEST LIBERTY ST. RENO, NEVADA 89501 (775) 788-8666

28
LIONEL SAWYER
& COLLINS
ATTORNEYS AT LAW
10 BANK OF AMERICA PLAZA
50 WEST LIBERTY ST.
RENO,
NEVADA 89501
(775) 788-8666

Ashland Capital, LLC, a Nevada Limited Liability Company,

Defendant.

### ORDER NO. 2 HOLDING JAMES SCOTT (A/K/A JIM SCOTT), ASHLAND CAPITAL, LLC, AND CALDERA P & G IN CONTEMPT OF COURT; AND JUDGMENT

On March 30, 2012, this Court found James Scott (a/k/a Jim Scott), Ashland Capital, LLC, and Caldera P & G in Contempt of Court and subsequently issued a written Order and Judgment to that effect (the "Contempt Order"). The Contempt Order stated that Defendant Ashland Capital, LLC ("Ashland"), James Scott ("Scott"), and Caldera P & G ("Caldera") were directed to make all improvements necessary to bring the Willow Creek Golf Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in the December 22, 2009 letter from the Nevada Department of Environmental Protection to the then-owner of the Willow Creek Golf Course, Jorei Enterprises, LLC. Such improvements were to be completed no later than Monday, July 2, 2012.

On motion of Plaintiff Utilities, Inc. of Central Nevada ("Plaintiff" or "UICN"), this Court issued its order to show cause on July 23, 2012, and, pursuant to that order, on August 2, 2012 the Court held a show cause hearing regarding why this Court should not find Defendant Ashland, Scott, and Caldera in contempt of court for violation of the Contempt Order.

Laura Granier and Jordan Davis appeared on behalf of UICN. David O'Mara appeared telephonically on behalf of Lakeview Golf Association, Inc. ("Lakeview"). Timothy Post appeared on behalf of Scott and Caldera. No attorney appeared on behalf of Ashland; however, Mr. Scott testified to having been in control of Ashland and Caldera during all times relevant to this matter.

The Court finds as follows:

A. The Court's findings in the Contempt Order issued following the March 30, 2012 hearing are incorporated herein.

B. The Court finds the testimony presented by Wendy Barnett, Regional Director for Utilities, Inc., on August 2, 2012 credible and convincing. The Court further finds Caldera, Scott, and Ashland in contempt for having violated this Court's ruling on March 30, 2012 and the Contempt Order. Based on the evidence presented the Court finds that the ponds at the Willow Creek Golf Course have not been remediated as required by the Nevada Division of Environmental Protection ("NDEP") and this Court's prior orders. In fact, the ponds at issue are in significantly worse condition now than they were in March 2012. Defendants' refusal to comply with the Court's order continues to present a health risk to the community.

# NOW, THEREFORE, AND FOR GOOD CAUSE APPEARING IT IS HEREBY ORDERED:

- 1. Scott, Ashland and Caldera are all in contempt of court for failure to obey the Court's Contempt Order.
- 2. Pursuant to NRS 22.100, Scott, Ashland and Caldera are directed to make all improvements necessary to bring the Willow Creek Golf Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in its letters regarding the Willow Creek Golf Course ponds in December 22, 2009 and thereafter including NDEP's Finding of Alleged Violation.
- 3. Pursuant to NRS 22.100 Mr. Scott individually and his entities Ashland and Caldera shall be liable to ensure full payment to UICN and Lakeview of all fees and costs and other damages incurred by UICN and Lakeview respectively as a result of Scott, Ashland and Caldera's continuing refusal to comply with this Court's orders.
- 4. UICN and Lakeview shall submit evidence to this Court of the amount of fees and costs incurred as a result of Caldera and Scott's refusal to comply with this Court's Contempt Order and Scott individually and his entities, Caldera and Ashland shall be responsible for

LIONEL SAWYER & COLLINS ATTORNEYS AT LAW 00 BANK OF AMERICA PLAZA 50 WEST LIBERTY ST. RENO. payment of awarded damages within ten days of the Court's entry of order granting such award.

- 5. Caldera and Scott are hereby ordered to provide biweekly reports to this Court and all parties on their progress in working on remediation of the Willow Creek Golf Course ponds.
- 6. Scott and Caldera shall coordinate such remediation efforts with NDEP, UICN and Lakeview to ensure that actions taken do not interfere with UICN's operation of Waste Water Treatment Plant 3 or Lakeview's continuing receipt of up to 425,000 gallons of effluent per day at Lakeview's discretion.
- 7. Caldera and Scott shall submit all plans for remediation to NDEP for review and approval prior to construction. Caldera and Scott are ordered to submit evidence of such submission to NDEP to this Court and all parties in the biweekly reports including any response from NDEP to such submissions.
- 8. Within one week of receiving any required approval from NDEP for the remediation plan or notification that no formal approval is required, Caldera and Scott are ordered to hire a contractor to complete the work and provide a copy of the contract to the Court and all parties. The construction contract for remediation of the ponds shall include a time line for the remediation ordered by this Court including delivery time for parts and any necessary permits for construction.
- 9. Caldera and Scott shall ensure, consistent with the Operations Manual for the Willow Creek Golf Course Ponds signed by James Scott in July 2010, that the operating depth of the ponds will maintain a height no less than one foot above the intake. Any depth less than one foot will cause sediment to be pulled into the intake and put into the irrigation system causing damage to the system.
  - 10. It is further ordered that Mr. Scott shall appear for a deposition concerning his

financial condition and that of his corporations within 45 days from August 2, 2012. 1 A hearing shall be set to be conducted for at least one day in September 2012 to 2 11. review Caldera and Scott's compliance with this Court's order and if evidence is not presented 3 4 that satisfies the Court of Caldera and Scott's compliance with the Court's order the Court shall 5 further sanction Mr. Scott and his entities including possible jail time. 6 SO ORDERED this 3 day of Quality 7 8 BY THE COURT: 9 10 11 The Honorable Robert Rose District Court Judge 12 13 Respectfully submitted by: 14 15 Laura K. Granier, Esq., SBN 7357 Courtney Miller Ø'Mara, Esq., SBN 10683 16 LIONEL SAWYER & COLLINS 17 50 W. Liberty St., Suite 1100 Reno, NV 89501 18 Telephone: (775) 788-8666 Facsimile: (775) 788-8682 19 Email: lgranier@lionelsawyer.com comara@lionelsawyer.com 20 21 22 23 24 25 26 27

28
LIONEL SAWYER
& COLLINS
ATTORNEYS AT LAW
00 BANK OF AMERICA PLAZJ
50 WEST LIBERTY ST.
RENO,
NEVADA 89501
(775) 788-8666

**CERTIFICATE OF SERVICE** 

	CERTIFICATE	T SERVICE	
Pursuan	t to N.R.C.P. 5(b), I certify that I a	m an employee of Lionel	Sawyer & Collins
and not a party	to, nor interested in, the within acti	on; that on August 6, 2012,	a true and correct
copy of the fore	going document was enclosed in a s	sealed envelope and served	to the following in
the manner note	ed below:		
] 	Randolph L. Howard, Esq. Kolesar & Leatham 400 S. Rampart Blvd., Suite 400 Las Vegas, Nevada 89145 Attorney for Defendant Jorei Enterp	rises, LLC	VIA U.S. MAIL AND EMAIL
	William M. O'Mara, Esq. David C. O'Mara, Esq. The O'Mara Law Firm 311 East Liberty Street Reno, Nevada 89501 Attorneys for Intervenor Lakeview C	Golf Association, Inc.	VIA U.S. MAIL AND EMAIL
	Ashland Capital, LLC c/o James Scott 1500 W. El Camino, Suite 211 Sacramento, California 95833		VIA U.S. MAIL
	Ashland Capital, LLC c/o Susan Trimboli, Resident Agent 8290 W Sahara Avenue, Suite 186 Las Vegas, Nevada 89117		VIA U.S. MAIL
	Timothy Post, Esq. 736 S. Center Street Reno, Nevada 89501 Attorney for James Scott and Caldera P & G		VIA U.S. MAIL AND EMAIL
		Jeanette Sparks	K.

# **EXHIBIT 8**

### **EXHIBIT 8**

1 2 2012 SEP 19 P 1: 43 3 SANDRA ANGELONE NYE COUNTY CLERK 4 BY DEPUTY 5 IN THE FIFTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA 6 IN AND FOR THE COUNTY OF NYE 7 Utilities Incorporated of Central Nevada, a | Case No. CV 27399 8 Nevada Corporation, Dept No. 1 9 Plaintiff, 10 VS. ORDER NO. 3 HOLDING JAMES SCOTT (A/K/A JIM SCOTT), ASHLAND CAPITAL, LLC, AND Willow Creek Holdings, LLC, a Nevada 11 CALDERA P & G IN CONTEMPT OF COURT; Limited Liability Company; Aram Maissian, Inc., a Nevada Corporation; Jorei Enterprises, AND JUDGMENT 12 LLC, a California Limited Liability Company; and Ashland Capital, LLC, a Nevada limited 13 liability company, 14 Defendants. 15 Utilities Inc. of Central Nevada, a Nevada Consolidated Case: CV 28780 Corporation, 16 Plaintiff, 17 18 VS. Ashland Capital, LLC, a Nevada Limited 19 Liability Company; Jorei Enterprises, LLC, a California Limited Liability Company; and Mosier & Company, Inc., in its official capacity as Permanent Receiver of PEMGroup 20 21 and its subsidiaries and affiliates, 22 Defendants. 23 and 24 Lakeview Golf Association, Inc., a Nevada Limited Liability Corporation, 25 Plaintiff, 26 27 VS. 28 LIONEL SAWYER & COLLINS ATTORNEYS AT LAW

RENO, NEVADA 89501 (775) 788-8666 Ashland Capital, LLC, a Nevada Limited Liability Company,

Defendant.

### ORDER NO. 3 HOLDING JAMES SCOTT (A/K/A JIM SCOTT), ASHLAND CAPITAL, LLC, AND CALDERA P & G IN CONTEMPT OF COURT; AND JUDGMENT

On March 30, 2012, this Court found James Scott (A/K/A JIM Scott), Ashland Capital, LLC, and Caldera P & G in Contempt of Court and subsequently issued a written Order and Judgment to that effect ("Contempt Order No. 1"). Contempt Order No. 1 stated that Defendant Ashland Capital, LLC ("Ashland"), James Scott ("Scott"), and Caldera P & G ("Caldera") were directed to make all improvements necessary to bring the Willow Creek Golf Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in the December 22, 2009 letter from the Nevada Department of Environmental Protection to the then-owner of the Willow Creek Golf Course, Jorei Enterprises, LLC. In addition, Mr. Scott, Ashland and Caldera were to complete any remediation of the Willow Creek Golf Course ponds necessary to avoid continuing organic contamination of the effluent stored in those ponds. Such improvements were to be completed no later than Monday, July 2, 2012.

On August 2, 2012, this Court again found James Scott (A/K/A JIM Scott), Ashland Caltera P & G IN Contempt of Court and subsequently issued a written Order and Judgment to that effect ("Contempt Order No. 2"). Contempt Order No. 2 stated Scott, Ashland and Caldera are directed to make all improvements necessary to bring the Willow Creek Golf Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in its letter regarding the Willow Creek Golf Course ponds on December 22, 2009 and thereafter including NDEP's Finding of Alleged Violation. Scott and Caldera were ordered to, inter alia:

- provide biweekly reports to this Court and all parties on their progress in working on remediation of the Willow Creek Golf Course ponds;
- 2. coordinate such remediation efforts with NDEP, UICN and Lakeview to ensure

that actions taken do not interfere with UICN's operation of Waste Water Treatment Plant 3 or Lakeview's continuing receipt of up to 425,000 gallons of effluent per day at Lakeview's discretion; and

3. submit all plans for remediation to NDEP for review and approval prior to construction. Caldera and Scott were ordered to submit evidence of such submission to NDEP to this Court and all parties in the biweekly reports including any response from NDEP to such submissions.

A hearing was set for September 6, 2012 to review Caldera and Scott's compliance with this Court's Contempt Orders. Laura Granier appeared on behalf of UICN. David O'Mara appeared on behalf of Lakeview Golf Association, Inc. ("Lakeview"). Timothy Post appeared on behalf of Scott and Caldera. No attorney appeared on behalf of Ashland; however, Mr. Scott testified to having been in control of Ashland and Caldera during all times relevant to this matter.

The Court finds as follows:

- A. The Court's findings in Contempt Order No. 1 issued following the March 30,
   2012 hearing are incorporated herein.
- B. The Court's findings in Contempt Order No. 2 issued following the August 2,
   2012 hearing are incorporated herein.
- C. The Court finds the testimony presented by Wendy Barnett, Regional Director for Utilities, Inc., on September 6, 2012 credible and convincing. The Court further finds Caldera, Scott, and Ashland in contempt for having violated this Court's rulings on March 30, 2012 and August 2, 2012, and the Contempt Orders. Although Mr. Scott has taken some action to begin compliance with those orders, he and his entities have failed to fully comply with this Court's orders. For example, Mr. Scott and his entities have failed to cooperate with UICN and Lakeview as required by the Court's orders. Nor has Mr. Scott or his entities put up the required signs at the ponds. Based on the evidence presented the Court finds that the ponds at the Willow Creek Golf Course have not been remediated as required by the Nevada Division of

12

13 14

15

16 17

19 20

18

21 22

24 25

23

26

27 28

LIONEL SAWYER EST LIBERTY ST. RENO,

Environmental Protection ("NDEP") and this Court's prior orders. The Court finds that Mr. Scott's and his entities' failure to remediate the ponds leaves them in a continuing condition that presents a clear and present danger to the community and those in and about the ponds and the golf courses. Defendants' refusal to comply with the Court's order continues to present a health risk to the community.

### NOW, THEREFORE, AND FOR GOOD CAUSE APPEARING IT IS HEREBY ORDERED:

- 1. Scott, Ashland and Caldera are all in contempt of court for failure to obey the Court's Contempt Order and, pursuant to NRS 22.100, each are hereby fined \$500.
- 2. Pursuant to NRS 22.100, Scott, Ashland and Caldera are directed to make all improvements necessary to bring the Willow Creek Golf Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in its letter regarding the Willow Creek Golf Course ponds on December 22, 2009 and thereafter including NDEP's Finding of Alleged Violation. Scott, Ashland and Caldera shall complete all remediation to the Willow Creek Golf Course ponds necessary to avoid continuing organic contamination of the effluent stored therein.
- 3. Pursuant to NRS 22.100 Mr. Scott individually and his entities Ashland and Caldera shall be liable to ensure full payment to UICN and Lakeview of all fees and costs and other damages incurred by UICN and Lakeview respectively as a result of Scott, Ashland and Caldera's continuing refusal to comply with this Court's orders.
- 4. UICN and Lakeview shall submit evidence to this Court of the amount of fees and costs incurred as a result of Caldera and Scott's refusal to comply with this Court's Contempt Order and Scott individually and his entities, Caldera and Ashland shall be responsible for payment of awarded damages within ten days of receipt of the declaration of fees and costs from

28
LIONEL SAWYER
& COLLINS
ATTORNEYS AT LAW
00 BANK OF AMERICA PLAZA
50 WEST LIBERTY ST.
RENO,
NEVADA 89501

each of the respective parties.

- Caldera and Scott are hereby ordered to continue providing biweekly reports to this Court and all parties on their progress in working on remediation of the Willow Creek Golf Course ponds.
- 6. Scott and Caldera shall coordinate such remediation efforts with NDEP, UICN and Lakeview to ensure that actions taken do not interfere with UICN's operation of Waste Water Treatment Plant 3 or Lakeview's continuing receipt of up to 425,000 gallons of effluent per day at Lakeview's discretion. Mr. Scott and his entities shall allow UICN and Lakeview to inspect construction to the ponds as it begins and goes forward until completion and provide all plans and information about the construction and any contractors to UICN and Lakeview as planning goes forward.
- 7. Within one week of receiving any required approval from NDEP for the remediation plan or notification that no formal approval is required, Caldera and Scott are ordered to hire a contractor to complete the work and provide a copy of the contract to the Court and all parties. The construction contract for remediation of the ponds shall include a time line for the remediation ordered by this Court including delivery time for parts and any necessary permits for construction.
- 8. A hearing is hereby set for one day on October 30, 2012 in Reno unless the parties advise the Court that Mr. Scott is in compliance with this Court's orders and no hearing is necessary OR UICN and/or Lakeview advises the Court that there has been substantial noncompliance with this Court's orders. If the Plaintiff will be requesting that Mr. Scott be jailed for substantial non-compliance, the hearing in Reno shall be vacated and the hearing will be held on November 7, 2012 in Pahrump, Nye County Nevada. The Plaintiff shall notify the Court and parties if it will be seeking a jail sanction by October 23, 2012. At such hearing the

### Case 12-22484-mkn Doc 26-2 Entered 11/09/12 18:03:52 Page 20 of 30

1	Court will review Caldera and Scott's compliance	with this Court's order and if evidence is not
2	presented that satisfies the Court of Caldera and S	Scott's compliance with the Court's order the
3	Court shall further sanction Mr. Scott and his entitie	es including possible jail time.
4		
5	SO ORDERED this day of	, 2012.
6		BY THE COURT:
7		
8		
9		The Honorable Robert Rose District Court Judge
10		District Court Judge
11	Respectfully submitted by:	
12	Osola Los	
13	Laura K. Granier, Esq., SBN 7357  Courney Miller O'Mara, Esq., SBN 10683	
14/	LIØNEL SAWYER & COLLINS	
15	50 W. Liberty St., Suite 1100 Reno, NV 89501	*
16	Telephone: (775) 788-8666 Facsimile: (775) 788-8682	
17	Email: lgranier@lionelsawyer.com	
18	comara@lionelsawyer.com	
19		
20		
21		
22		
23		
24		
25		
26		
27		
28 ER		

LIONEL SAWYER
& COLLINS
ATTORNEYS AT LAW
00 BANK OF AMERICA PLAZA
50 WEST LIBERTY ST.
RENO,
NEVADA 89501
(775) 788-8666

#### Case 12-22484-mkn Doc 26-2 Entered 11/09/12 18:03:52 Page 21 of 30

Court will review Caldera and Scott's compliance with this Court's order and if evidence is not 1 presented that satisfies the Court of Caldera and Scott's compliance with the Court's order the 2 Court shall further sanction Mr. Scott and his entities including possible jail time. 3 4 SO ORDERED this 17 day of September, 2012. 5 6 BY THE COURT: 7 8 The Honorable Robert Rose 9 District Court Judge 10 11 Respectfully submitted by: 12 Laura K. Granier, Esq., SBN 7357 13 Courthey Miller O'Mara, Esq., SBN 10683 LIONEL SAWYER & COLLINS 14 50 W. Liberty St., Suite 1100 Reno, NV 89501 Telephone: (775) 788-8666 16 Facsimile: (775) 788-8682 Email: lgranier@lionelsawyer.com 17 comara@lionelsawyer.com 18 19 20 21 22 23 24 25 26 27

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

CERTIFICATE OF SERVICE

Pursuant to N.R.C.P. 5(b), I certify that I am an employee of Lionel Sawyer & Collins and not a party to, nor interested in, the within action; that on September 18, 2012, a true and correct copy of the foregoing document was enclosed in a sealed envelope and served to the following in the manner noted below: VIA U.S. MAIL Randolph L. Howard, Esq. AND EMAIL Kolesar & Leatham 400 S. Rampart Blvd., Suite 400 Las Vegas, Nevada 89145 Attorney for Defendant Jorei Enterprises, LLC VIA U.S. MAIL William M. O'Mara, Esq. AND EMAIL David C. O'Mara, Esq. The O'Mara Law Firm 311 East Liberty Street Reno, Nevada 89501 Attorneys for Intervenor Lakeview Golf Association, Inc. VIA U.S. MAIL Ashland Capital, LLC c/o James Scott 1500 W. El Camino, Suite 211 Sacramento, California 95833 VIA U.S. MAIL Ashland Capital, LLC c/o Susan Trimboli, Resident Agent 8290 W Sahara Avenue, Suite 186 Las Vegas, Nevada 89117 VIA U.S. MAIL Timothy Post, Esq. AND EMAIL 736 S. Center Street Reno, Nevada 89501 Attorney for James Scott and Caldera P & G Sparks

# **EXHIBIT 9**

# **EXHIBIT 9**

1 FILED / FIFTH UDICIAL DISTRICT 2 NOV 07 2012 3 **Nye County Clerk** 4 Deputy 5 6 IN THE FIFTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA 7 IN AND FOR THE COUNTY OF NYE Utilities Incorporated of Central Nevada, a 8 Case No. CV 27399 Nevada Corporation, 9 Dept No. 1 Plaintiff, 10 vs. ORDER NO. 4 HOLDING JAMES SCOTT (A/K/A 11 Willow Creek Holdings, LLC, a Nevada JIM SCOTT), AND ASHLAND CAPITAL, LLC, Limited Liability Company; Aram Maissian, IN CONTEMPT OF COURT: AND JUDGMENT Inc., a Nevada Corporation; Jorei Enterprises, 12 LLC, a California Limited Liability Company; 13 and Ashland Capital, LLC, a Nevada limited liability company, 14 Defendants. 15 Utilities Inc. of Central Nevada, a Nevada Consolidated Case: CV 28780 16 Corporation, 17 Plaintiff, 18 VS. 19 Ashland Capital, LLC, a Nevada Limited Liability Company; Jorei Enterprises, LLC, a California Limited Liability Company; and Mosier & Company, Inc., in its official 20 21 capacity as Permanent Receiver of PEMGroup and its subsidiaries and affiliates. 22 Defendants. 23 and 24 Lakeview Golf Association, Inc., a Nevada 25 Limited Liability Corporation, 26 Plaintiff, VS.

28
LIONEL SAWYER
& COLLINS
ATTORNEYS AT LAW
1100 BANK OF AMERICA PLAZA
50 WEST LIBERTY ST.
RENO,
NEVADA 89501
(775) 788-8666

1

3

4 5

6 7

9 10

11

8

12 13

14 15

16 17

18

19 20

21

22 23

24

25

26

27

28 JONEL SAWYER & COLLINS TORNEYS AT LAW WEST LIBERTY ST. RENO, NEVADA 89501 (775) 788-8668

Ashland Capital, LLC, a Nevada Limited Liability Company,

Defendant.

#### ORDER NO. 4 HOLDING JAMES SCOTT (A/K/A JIM SCOTT), AND ASHLAND CAPITAL, LLC IN CONTEMPT OF COURT; AND JUDGMENT

#### HISTORY OF CONTEMPT PROCEEDINGS

On March 30, 2012, this Court found JAMES SCOTT (A/K/A JIM SCOTT), AND ASHLAND CAPITAL, LLC IN CONTEMPT OF COURT and subsequently issued a written Order and Judgment to that effect ("Contempt Order No. 1"). Contempt Order No. 1 stated that Defendant Ashland Capital, LLC ("Ashland"), and James Scott ("Scott") were directed to make all improvements necessary to bring the Willow Creek Golf Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in the December 22, 2009 letter from the Nevada Department of Environmental Protection to the then-owner of the Willow Creek Golf Course, Jorei Enterprises, LLC. In addition, Mr. Scott, Ashland and Caldera were to complete any remediation of the Willow Creek Golf Course ponds necessary to avoid continuing organic contamination of the effluent stored in those ponds. Such improvements were to be completed no later than Monday, July 2, 2012.

On August 2, 2012, this Court again found JAMES SCOTT (A/K/A JIM SCOTT), ASHLAND CAPITAL, LLC, AND CALDERA P & G IN CONTEMPT OF COURT and subsequently issued a written Order and Judgment to that effect ("Contempt Order No. 2"). Contempt Order No. 2 stated Scott, Ashland and Caldera are directed to make all improvements necessary to bring the Willow Creek Golf Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in its letter regarding the Willow Creek Golf Course ponds on December 22, 2009 and thereafter including NDEP's Finding of Alleged Violation. Scott and Caldera were ordered to, inter alia:

- provide biweekly reports to this Court and all parties on their progress in working 1. on remediation of the Willow Creek Golf Course ponds;
- coordinate such remediation efforts with NDEP, UICN and Lakeview to ensure 2.

that actions taken do not interfere with UICN's operation of Waste Water Treatment Plant 3 or Lakeview's continuing receipt of up to 425,000 gallons of effluent per day at Lakeview's discretion; and

3. submit all plans for remediation to NDEP for review and approval prior to construction. Caldera and Scott were ordered to submit evidence of such submission to NDEP to this Court and all parties in the biweekly reports including any response from NDEP to such submissions.

On September 6, 2012, this Court again found JAMES SCOTT (A/K/A JIM SCOTT), ASHLAND CAPITAL, LLC, AND CALDERA P & G IN CONTEMPT OF COURT and subsequently issued a written Order and Judgment to that effect ("Contempt Order No. 3"). Contempt Order No. 3 stated Scott, Ashland and Caldera are directed to make all improvements necessary to bring the Willow Creek Golf Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in its letter regarding the Willow Creek Golf Course ponds on December 22, 2009 and thereafter including NDEP's Finding of Alleged Violation. Scott and Caldera were ordered to, *inter alia*:

- 1. Ensure full payment to UICN and Lakeview of all fees and costs and other damages incurred by UICN and Lakeview as a result of Scott, Ashland and Caldera's continuing refusal to comply with this Court's orders. Scott, Ashland and Caldera were found to be responsible for payment of awarded damages (the fees and costs incurred by UICN and Lakeview as a result of Caldera and Scott's refusal to comply with this Court's Contempt Order, as evidenced by their submission of a declaration of fees and costs) within ten days of receipt of a declaration of fees and costs from UICN and/or Lakeview.
- 2. Continue providing biweekly reports to this Court and all parties on their progress in working on remediation of the Willow Creek Golf Course ponds.
- 3. Coordinate such remediation efforts with NDEP, UICN and Lakeview to ensure that actions taken do not interfere with UICN's operation of Waste Water Treatment Plant 3 or Lakeview's continuing receipt of up to 425,000 gallons of

effluent per day at Lakeview's discretion. Mr. Scott and his entities were ordered to allow UICN and Lakeview to inspect construction to the ponds as it begins and goes forward until completion and provide all plans and information about the construction and any contractors to UICN and Lakeview as planning goes forward.

- 4. Caldera and Scott were ordered, within one week of receiving any required approval from NDEP for the remediation plan or notification that no formal approval is required, to hire a contractor to complete the work and provide a copy of the contract to the Court and all parties. The construction contract for remediation of the ponds is to include a time line for the remediation ordered by this Court including delivery time for parts and any necessary permits for construction.
- 5. Appear for a further hearing, as set by this Court.

### **CONTEMPT PROCEEDINGS OF NOVEMBER 7, 2012**

A hearing was set for November 7, 2012 to review Caldera and Scott's compliance with this Court's Contempt Orders. Laura Granier appeared on behalf of UICN. Timothy Post appeared on behalf of Scott and Caldera. No attorney appeared on behalf of Ashland; however, Mr. Scott testified to having been in control of Ashland and Caldera during all times relevant to this matter. This Court was notified that Caldera P&G filed bankruptcy late last night and, therefore, until this Court is notified the automatic stay has been lifted with respect to Caldera P&G for purposes of this case, this Court will take no action against that entity. The Court will however proceed against Ashland and Scott.

The Court finds as follows:

- A. The Court's findings in Contempt Order No. 1 issued following the March 30, 2012 hearing are incorporated herein.
- B. The Court's findings in Contempt Order No. 2 issued following the August 2, 2012 hearing are incorporated herein.

C. The Court's findings in Contempt Order No. 3 issued following the September 6, 2012 hearing are incorporated herein.

D. The Court finds the testimony presented by Wendy Barnett, Regional Director for Utilities, Inc., on November 7, 2012 credible and convincing. The Court further finds Scott and Ashland in contempt for having violated this Court's rulings on March 30, 2012 and August 2, 2012, and the Contempt Orders. Although Mr. Scott has taken some action to begin compliance with those orders, he and his entities have failed to fully comply with this Court's orders. Based on the evidence presented the Court finds that the ponds at the Willow Creek Golf Course have not been remediated as required by the Nevada Division of Environmental Protection ("NDEP") and this Court's prior orders. The Court finds that Mr. Scott's and his entities' failure to remediate the ponds leaves them in a continuing condition that presents a clear and present danger to the community and those in and about the ponds and the golf courses. Defendants' refusal to comply with the Court's order continues to present a health risk to the community. This Court further finds that Mr. Scott and Ashland have disregarded and intentionally refused to comply with the orders of this Court.

# NOW, THEREFORE, AND FOR GOOD CAUSE APPEARING IT IS HEREBY ORDERED:

- 1. Scott and Ashland are in contempt of court for failure to obey the Court's Contempt Order and, pursuant to NRS 22.100, each are hereby fined \$500. Mr. Scott shall be jailed for addys, or anti-he produces all documents requested by UICN for and related to its debtors' examination and provides written satisfactory instructions to UICN and the trustee appointed for Caldera P&G to operate the irrigation system at the Willow Creek Golf Course.
- 2. Pursuant to NRS 22.100, Scott is directed to cooperate with the trustee appointed for Caldera P&G and UICN to make all improvements necessary to bring the Willow Creek Golf

PR

28
LIONEL SAWYER
& COLLINS
ATTORNEYS AT LAW
100 BANK OF AMERICA PLAZA
50 WET LIBERTY ST.
RENO,

Course into compliance with state and local requirements, including completion of the remediation and other requirements NDEP described in its letter regarding the Willow Creek Golf Course ponds on December 22, 2009 and thereafter including NDEP's Finding of Alleged Violation. Scott shall cooperate with the Caldera P&G Trustee and UICN to ensure completion of all remediation to the Willow Creek Golf Course ponds necessary to avoid continuing organic contamination of the effluent stored therein. Mr. Scott shall produce all documents and information to UICN to assist in its collection of all fees and costs awarded to UICN in this case and payment of all fines imposed by this Court.

- 3. Pursuant to NRS 22.100 Mr. Scott individually and his entity Ashland shall be liable to ensure full payment to UICN and Lakeview of all fees and costs and other damages incurred by UICN and Lakeview respectively as a result of Scott, and Ashland's continuing refusal to comply with this Court's orders.
- 4. UICN and Lakeview shall submit evidence to this Court of the amount of fees and costs incurred as a result of Scott's refusal to comply with this Court's Contempt Order and Scott individually and his entities, and Ashland shall be responsible for payment of awarded damages within ten days of receipt of the declaration of fees and costs from each of the respective parties.
- 5. Scott is hereby ordered to continue providing biweekly reports to this Court and all parties on their progress in working on remediation of the Willow Creek Golf Course ponds to the extent he continues to be involved in same.  $\frac{300}{400}$
- 6. A hearing is hereby set for one day on <u>lee. 20, 2012</u> in Reno unless the parties advise the Court that Mr. Scott is in compliance with this Court's orders and no hearing is necessary <u>OR</u> UICN and/or Lakeview advises the Court that there has been substantial noncompliance with this Court's orders. If the Plaintiff will be requesting that Mr. Scott be jailed for substantial non-compliance, the hearing in Reno shall be vacated and the hearing will

	Case 12-22484-mkn Doc 26-2 Entered 11/09/12 18:03:52 Page 30 of 30
	at 930 Am
1	be held on \(\sum_{100} \)2 in Pahrump, Nye County Nevada. The Plaintiff shall notify the
2	Court and parties if it will be seeking a jail sanction by <u>Dec. 14, 2012</u> . At such hearing the
3	Court will review Caldera and Scott's compliance with this Court's order and if evidence is not
4	presented that satisfies the Court of Scott's compliance with the Court's order the Court shall
5	further sanction Mr. Scott and his entities including possible jail time.
6	
7	SO ORDERED this
8	
9	BY THE COURT:
10	12.5
11	The Honorable Robert Rose
12	District Court Judge
13	Respectfully submitted by:
14	Respectating submitted by.
15 (	Laura K. Granier, Esq., SBN 7357
16	Courtney Miller O'Mara, Esq., SBN 10683 LIONEL SAWYER & COLLINS
17	50 W. Liberty St., Suite 1100 Reno, NV 89501
18	Telephone: (775) 788-8666
19	Facsimile: (775) 788-8682 Email: lgranier@lionelsawyer.com
20	comara@lionelsawyer.com
21	
22	
23	
24	
25	
26	

28
LIONEL SAWYER
& COLLINS
ATTORNEYS AT LAW
0 BANK OF AMERICA PLAZA
50 WEST LIBERTY ST.
RENO,
NEVADA 89501
(775) 788-8666